

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 112
Sacramento, CA

Minutes of Meeting
November 8, 2007

COMMISSIONERS PRESENT

Cathie Bennett Warner
Michele Burton, M.P.H.
Wilma Chan
Jerome Horton
John Longville
Nancy McFadden

COMMISSIONERS ABSENT

Vicki Marti

EX-OFFICIO MEMBERS PRESENT

Toby Douglas, Department of Health Care Services

EX-OFFICIO MEMBERS ABSENT

Thomas Williams, Department of Finance

CMAC STAFF PRESENT

Keith Berger, Executive Director
Tacia Carroll
Paul Cerles
Denise DeTrano
Holland Golec
Katie Knudson
Genaro Rodriguez
Steve Soto
Becky Swol
Mike Tagupa
Mervin Tamai
Karen Thalhammer

I. Call to Order

The November 8, 2007 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The October 25, 2007 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Keith Berger, Executive Director, began his report by explaining that CMAC staff has mailed out the initial letters to potentially eligible hospitals for Round 3B of the Private Hospital Supplemental Fund and Round 3 of the Nondesignated Public Hospital Supplemental Fund. The letter templates and attachments that were mailed to the potentially eligible hospitals have been put on the CMAC website. Copies of the Schedules for the two rounds are also available to those in attendance at today's meeting with the other public documents.

Mr. Berger noted that the schedules call for the hospital proposals to be submitted by the end of November. CMAC is anticipating that the Final Disproportionate Share Hospital (DSH) list for FY 2007-08 will be issued by the beginning of the new calendar year. He said that CMAC's schedule then allows staff to finalize amounts in January and provide recommendations to the Commissioners for review and action in February.

Regarding the Distressed Hospital Fund (Fund), Mr. Berger indicated that CMAC staff is preparing for the initiation of the third year of negotiations for the Fund. As Mr. Berger mentioned at the last meeting, this will be for the first component of the funding. The inclusion of any stabilization dollars, the second component of distressed funding, will depend on the final calculations by the Department of Health Care Services (DHCS) next spring.

Mr. Berger noted that staff is planning on having a proposed schedule for the Commissioners at the next Commission meeting and anticipate starting the distressed hospital fund process in early December.

Mr. Berger informed the Commissioners that in today's closed session, there are three contract amendments before them for review and action, as well as several key updates and discussions regarding current hospital and managed care negotiations.

IV. Department of Health Care Services (DHCS) Report

Toby Douglas, DHCS, informed CMAC that the Democratic Legislators had proposed compromising health care reform legislation, which the Administration believes is a step in the right direction towards comprehensive reform. Mr. Douglas noted that the Administration is assessing their proposal and plans to move forward after the Thanksgiving holiday.

Regarding the Health Coverage Initiative, Mr. Douglas informed CMAC that all of the ten counties are up and running, and that DHCS has contracted with the University of California Los Angeles (UCLA) to help evaluate and give DHCS information on the impact of this initiative in all 10 counties. The California HealthCare Foundation and California Endowment will be helping to fund these evaluations.

Regarding the State Plan Amendment (SPA) on the cost of physician services, Mr. Douglas noted that the conference call between the State, various public hospitals and CMS, to address any outstanding issues, went very well. He said that they hope to reach an agreement by the end of the calendar year.

In response to a question asked by Commissioner Chan, Mr. Douglas said that regarding the current budget crisis, DHCS and the Department of Finance plan to assess DHCS' budget needs the same as any other department.

V. New Business/Public Comments/Adjournment

There being no further new business and no comments from the public, Chair Bennett Warner recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital contracts and amendments in closed session. The open session was then adjourned.